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## Informational Notice

Date: July 10, 2015

To: All Medical Assistance Providers

Re: State Fiscal Year 2016

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Illinois begins FY 2016 (July 1, 2015 – June 30, 2016) without a State budget and appropriation. While payments from the department will be impacted, beneficiaries remain eligible and the department will be obligated to pay once appropriations are available. Therefore, the department encourages our providers to continue providing services as the following remains:

- Claims for dates of service prior to July 1, 2015, can be paid during the “Lapse Period” out of the appropriation for that fiscal year, i.e., FY 2015, so cash should continue to flow for a time from those services.
- Once a budget is enacted, pending claims with dates of service from FY 2016 (July 1, 2015 - June 30, 2016) would be paid retroactively.
- Medicaid managed care plans are required to comply with their obligations to pay providers timely, unless the MCO has not received any capitation payment from the State for two consecutive months. MCOs have been paid for May and June. This means that since the MCOs were paid their capitation amounts for May and June, they are subject to the timely payment obligations under their contract with HFS for July and August.

We thank you all for your commitment to providing necessary health care services to Illinois’ 3.2 million beneficiaries, even in this time of uncertainty.

Felicia F. Norwood  
Director